

## Condensed Consolidated Income Statement

### INTERIM RESULTS

The board of directors (the "Board") of Cosmos Machinery Enterprises Limited (the "Company") announces that the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30th June, 2007 with comparative figures for the corresponding period in 2006 are as follows:

	Notes	Six months ended 30th June,	
		2007 (Unaudited) HK\$'000	2006 (Unaudited and restated) HK\$'000
Continuing operations:			
Turnover	3	<b>1,009,589</b>	884,003
Cost of sales		<b>(809,967)</b>	(714,859)
Gross profit		<b>199,622</b>	169,144
Other income and gains, net		<b>11,399</b>	7,769
Distribution costs		<b>(53,013)</b>	(46,846)
Administrative expenses		<b>(101,768)</b>	(91,227)
Impairment losses for bad and doubtful debts		<b>(349)</b>	(325)
Profit from operations	4	<b>55,891</b>	38,515
Finance costs		<b>(13,024)</b>	(13,033)
Investment income		<b>783</b>	3,263
Loss on disposal of a subsidiary		<b>(1,305)</b>	–
Share of results of associates		<b>14,512</b>	16,178
Profit before taxation		<b>56,857</b>	44,923
Taxation	5	<b>5,495</b>	5,374
Profit for the period from continuing operations		<b>51,362</b>	39,549
Discontinued operation:			
Loss for the period from discontinued operation		–	(4,335)
Profit for the period		<b>51,362</b>	35,214
Attributable to:			
Equity holders of the Company		<b>40,610</b>	22,332
Minority interests		<b>10,752</b>	12,882
		<b>51,362</b>	35,214
Basic earnings (loss) per share for profit (loss) attributable to the equity holders of the Company during the period	6		
– from continuing operations		<b>5.74 cents</b>	3.77 cents
– from discontinued operation		<b>– cents</b>	(0.61) cents
		<b>5.74 cents</b>	3.16 cents
Proposed interim dividend: HK\$0.006 per share (2006: HK\$0.005 per share)		<b>4,260</b>	3,538